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SUBJECT: DEPARTMENT PRESS BRIEFING SEPTEMBER 29, 1981

FOR ADDRESSEE POSTS' INFORMATION AND GUIDANCE, FOLLOWING ARE EXCERPTS FROM TODAY'S PRESS BRIEFING. SPOKESMAN WAS ALAN ROMBERG.

Q. IS THE ADMINISTRATION ABOUT TO SEND ANOTHER TEAM OF EXPERTS, WHAT HAVE YOU, TO SAUDI ARABIA TO NEGOTIATE A COMPROMISE ON THE AWACS PACKAGE?

A. I'M NOT AWARE OF ANY TEAM GOING OUT TO SAUDI ARABIA TO NEGOTIATE.

Q. WHEN WILL THE NEW AMBASSADOR ARRIVE IN SAUDI ARABIA, AND DOES HE HAVE ANY ORDERS TO GO STRAIGHT IN AND DISCUSS THIS AWACS PACKAGE?

A. AMBASSADOR MURPHY WAS CONFIRMED ON FRIDAY. AND HE HAS GONE TO SAUDI ARABIA. IT IS QUITE LIKELY THAT HE WOULD DISCUSS THIS ISSUE, YES.

Q. HAVE THE BRITISH DISCUSSED WHETHER OR NOT THEY WOULD--AS THE SUBJECT OF THE NIMROD, THE BRITISH ALTERNATIVE-TO THE AWACS PLANE, COME UP IN DISCUSSIONS BETWEEN THE BRITISH AND THE U.S., AND HAVE THE BRITISH SAID THEY WOULD-NOT;SELL IT TO SAUDI ARABIA UNLESS THE U.S. OKAYED THAT.

A. I'M UNAWARE OF SUCH DISCUSSIONS. I HAVE NOTED PRESS REPORTS THAT PUBLICLY MRS. THATCHER INDICATED THAT SHE HOPED THE AWACS DEAL WOULD GO THROUGH, BUT IF IT DIDN'T THEY WE PREPARED TO SELL NIMROD. BUT THAT,AGAIN, IS PRESS REP ORTS.

Q. GO BACK TO MURPHY A MOMENT. YOU WOULD KNOCK DOWN ANY REPORTS THAT MR. MURPHY HAS TAKEN A SPECIAL PROPOSAL OR MESSAGE FROM THE PRESIDENT FOR THE SAUDIS?- HE WILL BE THERE JUST FOR GENERAL DISCUSSIONS?

A. HE WILL, I'M SURE, DISCUSS THESE ISSUES. I DON'T WANT TO CHARACTERIZE WHAT HE WOULD OR WOULDN'T DO. HE WILL CONTINUE THESE DISCUSSIONS. I'M SURE HE WILL BE-AN IMPORTANT PART OF THIS DIALOGUE.

Q. GOING ON TO SAUDI ARABIA, IS THAT IN ADVANCE AHEAD OF SCHEDULE, OR WAS HE ROUTINELY PLANNING TO GO AT-THIS TIME?
A. I DON'T KNOW WHAT HIS ORIGINAL SCHEDULE WAS AND WHETHER THIS REPRESENTS A DEPARTURE FROM IT.

Q. ANY RESONSE TO THE QUOTE, "THREATS, WARNINGS," AS ONE OF THE LOCAL NEWSPAPERS HERE CALLED IT, BY FAHD TO THE CONGRESSIONAL LEADERS IN CONGRESS THAT IF THEY DON'T,-THEN BLAH-BLAH? THEY DON'T AGREE WITH AWACS, I MEAN, WITH THE AWACS SALE? YOU KNOW, THERE IS A REPORT THIS MORNING IN-THE WASHINGTON POST.

A. I'M NOT GOING TO COMMENT ON HIS REMARKS AS REPORTED IN THE PRESS.

Q. ARE THEY TAKEN SERIOUSLY BY THIS ADMINISTRATION?

A. ANYTHING THAT PRINCE FAHD SAYS IS OBVIOUSLY TAKEN SERIOUSLY, BUT I'M NOT GOING TO COMMENT.

Q. IT HAS BEEN REPORTED THAT PRIME MINISTER BEGIN TOLD MA'ARIV AND YEDIOTH AHARANOT THAT THE AMERICAN GOVERNMENT PROPOSED TWO WEEKS AGO THAT THE ISRAELI PLANES FLY ABOVE THE CLOUD COVER OVER LEBANON. DO YOU HAVE ANYTHING TO SAY ON IT, AND WHO PROPOSED SUCH A THING?

A. NO, I HAVE NOTHING ON THAT.

Q. YOU TOOK A QUESTION YESTERDAY AS TO WHETHER AFTER TOMORROW'S FORMAL NOTICE THE AWACS PACKAGE MAY BE ALTERED OR NOT.

A. I SAID I WOULD LOOK INTO THAT. THIS IS A TECHNICAL

QUESTION. YOU ARE TALKING ABOUT WHETHER TECHNICALLY IT COULD BE ALTERED OR WHETHER IN POLICY TERMS IT WOULD BE ALTERED.

Q. EITHER WAY.

A. IN TECHNICAL TERMS, I THINK IT DEPENDS--THIS IS AGAIN A QUESTION SIMPLY OF THE RULES.

M; UNDERSTANDING IS THAT IF THERE WERE A PLAN TO EXCEED WHAT HAD BEEN SENT UP IN SOME SORT OF A NOTIFICATION IN ANY OF THESE SALES, THAT THEN THE NOTIFICATION WOULD HAVE TO BE WITHDRAWN AND RESUBMITTED.

I AM NOT REALLY AN EXPERT ON THIS AND I WOULD CAUTION YOU ON HOW YOU USE THIS INFORMATION, BUT THAT IS HOW I WOULD RESPOND.

Q. YOU WOULD HAVE TO GO BACK TO THE 50-DAY PERIOD?

A. THE INFORMATION I HAD THIS MORNING ON THAT WAS THAT

IT PROBABLY WOULD NOT HAVE TO GO BACK TO THE 50 DAYS. I SUPPOSE IT DEPENDS ON THE NATURE OF THE ALTERATION. THIS IS ALL VERY HYPOTHETICAL. I DON'T WANT TO SPECULATE SINCE IT IS ALL HYPOTHETICAL.

Q. HAS THE ADMINISTRATION RETAINED SOL LINOWITZ IN ANY CAPACITY?

A. I HAVE LOOKED INTO IT THIS MORNING, SINCE I SAW THE NEWSWEEK REPORT OF THAT, AND I CAN'T FIND ANYONE WHO IS AWARE OF A FORMAL ROLE FOR LINOWITZ. HE CONTINUES TO BE VALUED FOR HIS VIEWS AND EXPERTISE, AND HAS HAD DISCUSSIONS, BUT IF SOMEBODY ELSE KNOWS OF A SPECIAL ROLE-- I HAVE TIRED TO CHECK IT AS WIDELY AS I CAN, AND I HAVE NOT FOUND ANY INDICATION THAT HE HAS BEEN FORMALLY BROUGHT ON AS A CONSULTANT.

Q. CAN YOU CONFIRM REPORTS OF "DISAGREEMENT" BY THE SECRETARY OF STATE WITH MR. ALLEN ON THE HANDLING THE AWACS CAMPAIGNING AND LOBBYING, ON BEHALF OF THE ADMINISTRATION, RATHER THAN THE STATE DEPARTMENT.

A. I BELIEVE I ADDRESSED THIS YESTERDAY AND I BELIEVE THE SECRETARY ADDRESSED IT IN HIS APPEARANCE ON TODAY SHOW THIS MORNING. I HAVE NOTHING FURTHER ON THAT. CLARK

in connection with the flight of aircraft and all is a vitally important addition to our strength, and I think it is very, very necessary that we keep that in mind as we consider this sale and what the rejection of the sale would mean to that capability.

Senator Humphrey: I am not necessarily in favor of that. Do not misunderstand me. What I am opposed to is this reduction in our preparedness. I am very upset about that.

General Jones: Senator Humphrey, I would like to clarify that, because I would hate for people to leave the room thinking that we are making major reductions in our presence in the Indian Ocean.

Senator Humphrey: Oh, we are not?

General Jones: Let me explain what we are doing. In the budget so far, we are reducing the steaming hours within the Navy. They have been hard-pressed, the personnel issues and others, and this kind of reduces somewhat the number of ships we have deployed forward. We will still have the flexibility to move them around from time to time. Now, quite frequently, where we have only one carrier battle group in the Indian Ocean, sometimes we will put in two. We might put in two a little less often in the future.

Clearly, if there is any tension, we will have the numbers in there. So I would not try to make it as big a

change or an implication of change as what might be implied here.

Senator Humphrey: I disagree with you. I wish I had more time, but unfortunately my time is up. But you can only go so far with mobility. You cannot substitute mobility entirely for being present on the scene. And certainly aircraft can fly a lot faster from the Soviet Union or from Iran than ships can travel from the Mediterranean through the Suez Canal and so on up the Persian Gulf.

Secretary Weinberger: Well, Senator, there are a lot of difficult choices involved in those reductions. We believe we made the ones that reflect the best professional and civilian judgments, and there is no question that without the necessities of the economic aspects of the situation the Soviet threat has not changed, nor have the considerations that led us to submit the original budget have changed.

Senator Humphrey: I do not fault your motives. I am sure you have done your best. But I do want the American people to know, while they are hearing these cries for further cuts, what the practical effects are. We are stretched to the breaking point today, especially with regard to the Navy.

Secretary Weinberger: I agree with you completely and

I think it is the height of irresponsibility to call for these cuts, up to 9, $10 billion in '82 and consequent additional cuts, without any realization of what that will actually mean in reduction of our forces and our strengths.

Chairman Tower: I might assure the Senator from New Hampshire that, as a member of the Budget Committee, I will do everything I can do to keep them from being cut more.

Senator Cannon?

Senator Cannon: Thank you, Mr. Chairman.

General Jones, when the first enhancement package was talked about, did that include the AWACS? I was talking about the first one after the sale of the F-15's had been approved. That was at the time they asked for the bomb racks, and that was not approved. And my recollection is they did not ask for the AWACS in that package; they asked for bomb racks, which was not approved. They asked for radar, ground radar, as I recall in the northern part of Saudi Arabia, is that correct?

General Jones: To the best of my recollection, Senator Cannon, the AWACS has been in from the start with regard to the enhancement package. There may have been individual items discussed earlier, but to my recollection it has been in from the start.

The bomb racks issue is still being addressed in the sense, as I addressed earlier about their concerns about

coping with an invasion. But I believe when it became a package, to the best of my recollection AWACS was in that.

Senator Cannon: I see. But the bomb racks have never been settled upon as being a part of the package, nor the ground-based radar up next to Israel, in the northern part of Saudi Arabia?

General Jones: There are ground-based radars in the package. It is part of the radar package.

Secretary Weinberger: Those are used in conjunction.

Senator Cannon: Pardon?

Secretary Weinberger: Those were to be used in conjunction with the AWACS.

Senator Cannon: But that was not the ground-based radar system up near the Israeli border, up in the northern part of Saudi Arabia, as was originally requested, isn't that correct?

General Jones: There are two types of radar being provided, Senator Cannon, under two controls. One is for air traffic control, civilian, and one military. And because of the very limited range of the radars, the ground radars, a deployment on the western and northwestern part of Saudi Arabia would not pose any threat to Israel. So I would see no problem with the deployment of radar.

Senator Cannon: The only point I was trying to get at, was there not a request for the Saudis for ground-based

radar up in the northern part of Saudi Arabia up near the Israeli border, and that request has not been approved?

General Jones: I know of no specific requests for radars for that area. It is not necessarily excluded from the provision of the broader ground radar network. In fact, I think it would be included in the ground radar network of Saudi Arabia for some ground radars in west and northwest Saudi Arabia as a part of the overall package. But a separate request I do not recall for some radars for the northwest.

Secretary Weinberger: There was nothing of that kind ever discussed with me by Secretary Brown and Secretary Claytor, sir.

Senator Cannon: The point I was trying to get at is, the Israelis do have a concern about the possible use of this equipment, along with other equipment, against them. And you pointed out on the map that was shown here how far it was away, how illogical it would be for them to be used to go against Israel.

And you, General Jones, said in response to a question from Senator Byrd that it would be in the best interests of Israel to have this sale go through as well. That statement makes me a little uneasy, in light of a statement here that I have from Sheik Yamani's speech to the Foreign Policy Association in New York on April the 24th of this year. It

says, "Sheik Yamani defined the source of the threat to the world as international communism as Israel. He added that Israel is regarded as a definite threat and much worse than the communist threat. However, Israel is the point from which the Russians infiltrate the Arab world."

If you are concerned about Israel, would that not make you a little uneasy about the possible use of these equipment in that part of the world?

General Jones: No, because I am aware of the capability of ground radar. The range, even in the northwest, would be so limited that you are talking about sovereign territory, essentially, of Saudi Arabia. And as I pointed out earlier, I think it would be foolhardy on their part to use it in an offensive way up in Israel, in the sense of looking into Israel and trying to control aircraft in Israel.

I do not agree with what he said with regard to Israel being a threat and so forth. I do not imply to agree with that. But I do not believe that what he said is any reason for us to reject the sale.

Senator Cannon: I was just pointing out that if that is an attitude that they hold, then this could certainly give the Israelis some cause for concern.

Thank you, Mr. Chairman. My time is up.

Chairman Tower: Senator Cohen?

Senator Cohen: Thank you, Senator.

General Kelley, your principal role has now been in developing the Rapid Deployment Force. I was wondering what your military judgment is with respect to Israel's offer to make available its bases to the United States. Would you from a military point of view support that?

General Kelley: Yes, sir. From a military point of view, the bases in the Sinai, both Eton and Etzion, have a certain appeal. They are fully developed, fully mature bases that are in the region.

However, as you are well aware, there are political impediments to any particular satisfaction of that problem.

Senator Cohen: Aside from whether the sale is approved as written or rejected, would you still make a recommendation from a military point of view that those bases be made available for U.S. presence?

General Kelley: As the former Commander of the Rapid Deployment Task Force, I find those bases to be very appealing, yes, sir, because of their strategic positioning.

Senator Cohen: And that would be your judgment, irrespective of what takes place with respect to the sale of AWACS?

General Kelley: That does not hinge at all on any sale of AWACS.

Senator Cohen: Would you agree with that, General Jones?

General Jones: But those will soon be Egyptian air bases, and it is not the Israelis' problem of using those bases. It is the concern with the Egyptians and Sadat.

Senator Cohen: Is there any indication that Sadat would make those available to us?

General Jones: He has indicated availability of other bases, but not those.

Senator Cohen: Have the Saudis made any recommendation to allowing a U.S. land presence in the territory?

Secretary Weinberger: Not to my knowledge. They have not been asked and they have not made any suggestion.

Senator Cohen: Mr. Secretary, first I should have indicated in the opening I did not want to be entirely disagreeable. I wanted to compliment you on your Maine tie that you are wearing this morning.

We hear this, we are being evenhanded in the Middle East. If we really want to have an evenhanded policy, why do we not recommend to the Saudis that they have the same thing the Israelis have, the E2-C?

Secretary Weinberger: Again it is a matter of the needs, the defensive needs and their requests. We have taken these requests as they have come in and analyzed them on the basis of the needs and measured them against the

national security of the United States and reached certain conclusions, and those conclusions are reflected in the recommended sales to the Israelis based on their requests and the recommended sales to the Saudis based on their requests.

There has never been a request for an AWACS during the time I have been here by the Israelis that has been turned down.

Senator Cohen: Were you aware that the GAO offered some criticism about the proposed sale of AWACS to Iran? One of the criticisms was that we did not fully explore the alternative of E2-C's to the Iranians. That was one of the principal objections.

Secretary Weinberger: I was not aware of that, no. I do not know how relevant it is, but I am not aware of it.

Senator Cohen: Relevant in the sense that if a less capable aircraft would service the needs of protecting the oil fields and perhaps if we are looking for not only a military solution but also a political solution.

Secretary Weinberger: Again, Senator, it takes two to make a sale.

Senator Cohen: I understand.

Secretary Weinberger: We can tell everybody what is best for them, but if they feel that something else is best for them then we analyze that, and if we find that that

request it in the best interests of the United States then we recommend it. And that is the process that was followed here by the last Administration and by this Administration.

Senator Cohen: That is precisely the point I want to make, is that we are put in a take it or leave it position by this country that says to us, we either have the AWACS as-is, without joint U.S. control, without U.S. presence, as we dictate, as we dictate or determine in our own national interest, or if you do not like this agreement we will turn to the British or we will turn, other one, talking about comments, we will turn to the Soviet Union.

If the United States does not supply us with the things we want, we will turn to the Soviet Union. That was in the Saudi news agency from January 10, 1980.

Which brings me to a final point. I think, General Jones, you indicated you were surprised that Israel had any concern about the Saudis having AWACS. And I was surprised that you were surprised, from a military point of view.

General Jones: I did not say that, Senator.

Senator Cohen: Would you agree that the Israelis depend a great deal upon the doctrine of preemptive strike for their survival?

General Jones: First, I did not say that I was surprised that they had any concern. I was surprised as to the strength of that concern.

Clearly, the Israelis have relied on preemption.

Senator Cohen: All right. Let me ask you, assuming the sale were to go through and they have possession not only of the AWACS, they have possession of the upgraded F-15. And you have public statements being issued by the Saudi press agency, we shall not rest until our usurped land is liberated, until the Palestinian people return to their homeland and set up their independent state with Jerusalem as its capital.

Given those sort of statements, nonetheless do you agree with Israeli concern that their ability to launch a preemptive attack, since they are outnumbered ten to one militarily, 100 million to 3 million by population, that this reduces somewhat at least their ability to move in a preemptory fashion?

General Jones: I think from a preemptive standpoint, it does not interfere with their preemption attack into Syria or Lebanon.

Senator Cohen: But you are assuming with the AWACS, they are going to be up near the oil fields. If they were in any other area -- you say it is not realistic, but assuming they were -- would that in any way reduce their ability to move preemptorily?

General Jones: They would only have to wait a few days of the Saudis telling us to get lost and to operate on their

own up there and the risk of our support, and that capability would deteriorate. Also, in a preemptive attack of a large nature a few more minutes' warning is not going to make all of that difference even if the Saudis were up there and even if they were looking.

Senator Cohen: You do not think a few minutes' warning time makes a difference to Israeli survival?

General Jones: I think a few minutes' warning time under many circumstances is important. I just do not see the Saudis having the AWACS up in that area. The Israelis would know the AWACS was there and if they were going to preempt they could take action against that AWACS.

Senator Cohen: Would that not itself render the preemptive strike -- you are not only telling what the punch is going to be, you are taking out AWACS. It sort of denies you the preemptive strike, does it not?

General Jones: No, I think you could attack and destroy the AWACS without the AWACS ever getting the word out as to what happened. I think we are talking on so remote circumstances of their putting the airplane up there, which would have such a serious impact on Saudi Arabian capability, their military capability, if they tried to say, we are going to do something that is against the best interests of the United States and jeopardize all of that support, to be up there for a very short period, because it

will deteriorate and it will not be able to maintain that orbit.

So if I were the Israelis, I would not worry too much about their doing it. I might take some deceptive measures during that period, but it would degrade Saudi Arabia's military capability very substantially and very quickly.

Senator Cohen: I will stop here, Mr. Chairman. The only problem I have is, suppose you have exacerbation of the existing situation in Lebanon, that suddenly tensions start to increase. You have the problem with the missiles on the border. The Israelis start to launch some attacks into Lebanon suddenly.

The Arab nations who look at these words that we see about Arab solidarity saying, you know, we need some help; the Israelis just might launch some preemptive strikes up in Lebanon and we need a little help from you, our friend, Saudi Arabia, and this will be a test of your friendship to the Arab cause.

Now, what kind of pressure do you think that will bring to bear on Saudi Arabia, which has not had that capability to date?

General Jones: I am saying, regardless of the pressure, that it is for a very short time period that they could maintain an orbit up in that region. And their military capability in Saudi Arabia would deteriorate quite

rapidly during that time period. And I do not think the Saudis would be foolhardy enough to jeopardize their military capability with AWACS and with the other systems.

I could conceive of circumstances where it might even be in the best interests of Israel to have AWACS up there and have that capability degraded.

Chairman Tower: Senator Exon?

Senator Exon: Thank you, Mr. Chairman.

Mr. Secretary and General Jones, I would like to ask this question, which is key. I am trying to stay away from a situation where I might have to vote against giving the President of the United States a black eye in international affairs. But I think you picked up the fact that I have some reservations about this.

On August 24th last, the President notified the Senate on an informal basis of the AWACS sale. Prior to that date, prior to last August 24th, had the Executive Branch proposed U.S. crews to be a part of our AWACS planes that have been sold to them flying over there? In other words, what was the specific arrangement, or was there talk of our crews being a part of the planes that would be owned by the Saudis? Or was that question ever phrased?

General Jones: I do not recall it having been phrased in exactly that way, Senator Exon.

Senator Exon: How was it?

General Jones: It was clear that the Saudis were talking about their purchase and their operation, with their crews and with no indication of an interest or a willingness to have U.S. crews. We discussed the support arrangements, which will be continuous for the life of the system. But it was clear that providing U.S. crews or crew members aboard Saudi Arabian airplanes at that time was not a viable alternative.

Secretary Weinberger: I think, Senator, it was always understood, as General Jones said, that there would be an American presence required on the ground, that there would be a substantial American training requirement, and this was just assumed to take place.

I do not think anybody ever put a year limit on it or anything of that kind. On the other hand, there was never any question at all but that this was to be an outright sale and that title would pass to the Saudi Government and the arrangements that were made, whatever they were, would be those with the consent of the Saudi Government.

Senator Exon: With the suggestions that we are now hearing that the Administration might indeed be trying to work out some kind of a compromise to where specifically some of our personnel would be on the aircraft, do you not think it would have been wise to at least have some attempted understanding with the Saudis back then, rather

than now?

General Jones: Senator, I think it was clearly understood then. We do not have American officers aboard the Israeli E2-C's, which is a smaller version of an AWACS, with the other E2-C's around the world possessed by others. So it was clear to me that in my judgment our involvement and influence is adequate under the current arrangement, and it is not a threat to Israel.

Senator Exon: Then what you are saying, General, is the present suggestions that have been made by Senator Glenn and others, and with the reports that we are hearing that the White House wants some Senators to go to Saudi Arabia to try to work something out, basically along the lines of some of our people being on the AWACS that they own, that you do not think that is a very smart consideration?

General Jones: Senator, you cannot anticipate what people might do under certain circumstances. The Saudis may or may not agree to some arrangements now that they would not have agreed to before. So I cannot prejudge what may happen.

Senator Exon: My time is up. Thank you, Mr. Chairman.

Chairman Tower: Senator Jepsen?

Senator Jepsen: Thank you, Mr. Chairman.

On April 22, 1974, there was a hearing chaired by

Senator Jackson, sitting on this panel at that hearing. The material was brought out that on November 4, 1973, in a meeting between officials of the Arabian-American Oil Company -- that is, Exxon, Standard Oil of California, Mobil and Texaco -- and members of the Saudi Government, and in that meeting those companies were told that under a decision by King Faisal, who is not the same king but the same family, Aramco member companies were ordered to cut off supply of products derived from Saudi oil to U.S. forces stationed around the world.

And according to "Business Week" this caused a serious clot in the very bloodstream of the American military, needless to say. I need not lecture anyone here on the military consequence of such an oil cutoff.

Mr. Secretary, do you honestly feel that you have any evidence to give that would assure us that in a crisis where Saudi and American interests differ that the Saudis would not order American technical personnel that you are talking about, around the same way they ordered American oil workers in 1973?

Secretary Weinberger: Senator, there was a blockade, an embargo at that time, and I do not think anyone was happy with the result. I do not have any guarantees that we might not be similarly treated in any country of the world where we have a presence. I cannot in any honesty make that kind

of a guarantee to you. These are part of the risks that we always take when we operate abroad, and it is necessary for us to operate abroad if we want to have in a global sense the forward defense of this country. So there is always a risk that something might happen. I think it is a minimal risk and I think that to the extent we can maintain the kind of good relationships we have had with Saudi Arabia that that risk would be even more minimized.

But if we reject the sale, I would think that we would be in a situation in which we could not predict what kinds of relationships we would have. I think it would be a very unfortunate thing for our own future, for the President's desire to bring peace to that region, if the sale is rejected.

Senator Jepsen: Mr. Secretary, if there is a coup by forces unfriendly to the United States or if there is a change of personnel in Saudi Arabia, without going into any details, which I am sure you could not do if there were some, what would happen to the AWACS and the AIM-9L's? What plans have been made?

You are asking us to approve carte blanche a sale, turn over ownership of our most advanced technology. Can you tell me, are there -- have there been plans made and secured and gone over, reviewed and put in place, to take care of AWACS and all of this technology in case something went

awry?

Secretary Weinberger: We do have plans to safeguard American equipment on foreign soil, and we would certainly have -- we have standard provisions that apply to all of the sales of aircraft and other military weapons. We would certainly want to ensure that the safety and security of the planes, missiles and all of the other things that were sold was preserved.

These matters have been the subject of discussions for a very considerable length of time with the Saudi Government. The arrangements and agreements are not completed. But as I mentioned earlier, there is no question but that agreements of this kind would be signed to preserve and safeguard the equipment itself, and would be, of course, available to the Congress for their full inspection, absolutely.

Senator Jepsen: I believe you, and I would just point out, so you know where some of us come from, that knowing that 50 percent of the Saudi workers are Shiites like Khomeini -- and sitting on this same Committee day after day after day when the Iran situation was unfolding, we were all told, yes, we have got monitoring stations, two of them, top secret and top technology, but we have a plan, they are safe, no problem.

Then one day, after many days of this day after day

briefing, they came in and said, whoops, they have our equipment, they have our people, they are holding them for ransom. And that is, for some of us who have some not very long memories, it is just not too long ago that that has happened.

Secretary Weinberger: I am not prepared to defend any of those actions, Senator.

Chairman Tower: Senator Levin?

Senator Levin: Thank you, Mr. Chairman.

I would like to go back for one moment to our national disclosure policy, which sets forth criteria before we disclose to foreign governments our secrets. You indicated that in this case there was an exception required of this policy, presumably because all of the criteria were not met, and you personally recommended that the exception be made to the President.

I am wondering if you could tell me --

Secretary Weinberger: Senator, I wonder if I could elaborate on that for you.

Senator Levin: Let me ask a question first.

Secretary Weinberger: Surely.

Senator Levin: My specific question is -- I do not need elaboration. I just want to know which of the criteria required the waiver which you recommended to the President?

Secretary Weinberger: I think the national interest of

the United States, which is the broad language in which the matter is phrased. Let me run through the facts on it. The exception was granted on March 16th by a record of action that was based upon my recommendation that the decision be made to sell the AIM-9L as part of this package.

And in a February 6 memorandum to the President, Secretary Haig and I jointly recommended approval of the sale of the AIM-9L missiles to the President. The President approved it, and following that approval the record of action was issued.

Senator Levin: My specific question was, which of the criteria was not met so that a waiver was required. That is my question.

Secretary Weinberger: I do not have that specific information. I know that at the time there was a very fair consideration to it and a conclusion that the national interest of the United States required it. I can go back and get the documentation and send it to you.

Senator Levin: Would you supply that to the Committee, because it is important which of these criteria. These are public criteria. Criteria one is the disclosure of the secret is consistent with foreign policy. I would presume you would agree that that does not need a waiver.

The second, the military security of the United States permits disclosure. I presume you argue here that that

would not require a waiver, that that was met.

The third one, recipient of information will afford substantially the same security protection. That is the one I am interested in.

Maybe the General knows. Is that the one that required the waiver?

General Jones: No.

Secretary Weinberger: You keep referring to the term "waiver." I am talking about the method or procedure that was used, and I would not describe that as a waive. Those criteria were all felt to be met.

Senator Levin: Why was an exception required?

Secretary Weinberger: If I can just finish. What we were talking about was the procedure used to record the approval, and that procedure, you indicated, sometimes can be done by the National Disclosures Policy Committee and sometimes by the exceptions, which involve the approval of the President.

But there was never any question that any of those conditions for the release were not met. It was the procedure by which they were utilized.

Senator Levin: Mr. Secretary, are you then telling us that an exception was not needed for approval of this sale, to these criteria? Is that what you are telling us?

Secretary Weinberger: What I am telling you is that

the conditions necessary were felt to be met and the recommendation for the procedure that was used was made by me and by Secretary Haig to the President and approved by the President.

Senator Levin: Would you let us know for the record whether an exception was requested?

Secretary Weinberger: Let you know what?

Senator Levin: My question was, was there an exception recommended to the President because these criteria were not all met? It is a simple question, whether or not.

Secretary Weinberger: It was not a question of those criteria being met. It was a question of whether or not the particular procedure to record and to take the action to make the release was done, and that is the procedure I was describing.

Senator Levin: Would you check back in the records and tell us whether or not an exception --

Secretary Weinberger: There are certain other aspects to the transaction that I can put to you in classified material. But there was no question but that the required thresholds for making this kind of a sale were met.

Senator Levin: Mr. Secretary, thank you.

My next question relates again to these agreements, because in the words of Secretary Haig, they are so critical to us that he says these agreements, these arrangements, as

he puts it, the agreements in your testimony are extremely significant, the ones that have been reached in the Saudis.

In his testimony before the Foreign Relations Committee, he repeated that the transfer arrangements are very, very important, in his words. And I really want to get some more specific understanding from you about these arrangements.

Some you told us were in writing, some were in draft form, some were in discussion stage. Can you tell us precisely which agreements have been signed, which agreements are in draft stage, which agreements you saw, which agreements, when they were signed, by whom? I think if they were so important to us, as you have testified here today, if they were so important as Secretary Haig has testified, I would like to know what all of these agreements are.

Can you just list them for us right now, one by one, which are in writing, which you have seen drafts of, which are in discussion stage, the ones that are in writing, who signed them for the Saudis, when were the signatures?

Secretary Weinberger: Senator, you are assuming there are a number of different kinds of agreements. What I am talking about and what I think Secretary Haig is talking about is a general agreement between the two countries covering the sale, at the time the sale takes place, of

these weapons and of these systems.

Those agreements are in the process of being drafted and they will include a lot of language that is very customary for the sales of all of this equipment, equipment of this type, to other countries. They have not been completed because the sale has not been completed.

At the time that they are, they will be submitted. And I am sure that you will find that they contain very familiar language that was used at the time other sales of this kind are made. But there are not 85 different pieces of paper that set forth all of these different kinds of agreements that you keep mentioning. They are provisions that cover the sale of this equipment.

And you are familiar with the fact that, on the sale of the F-15's to Israel, there are several pages of the contract which govern the conditions that underlie such a sale. That is to say, that they were to be used for self-defensive purposes only and a number of things of that kind. And that is the kind of thing that Secretary Haig is talking about. That is the kind of thing that I was talking about.

They have not been completed because the sale has not yet been finished.

Chairman Tower: Senator, your time is up.

Senator Denton?

Senator Denton: Thank you, Mr. Chairman.

General Jones, from the point of view of a man with great experience at the top of our military organization and with a perspective that would include the psychological military effects, granted that Saudi Arabia is not perfectly stable, it might fall somewhere between the United States and Iran. We would not want to characterize it as as unstable as Iran or as stable as ourselves.

On the question of the stability of Saudi Arabia, the good or bad effect of recognizing the technical seizure of classified material, changes in policy regarding oil prices, what they might even do with AWACS, that sort of thing, do you see the deal, the arrangement, the agreement, or whatever it is, with respect to the AWACS as favorably or unfavorably affecting the future prospects for stability in Saudi Arabia.

General Jones: Senator Denton, there is no question in my mind, I think it will help stability in Saudi Arabia.

Senator Denton: Help in the subject of stability?

General Jones: I am not implying that it is unstable, but I think that it will further not only our relationship with Saudi Arabia, but their internal operations in convincing their people and their other leaders within Saudi Arabia that they do have reasonably a defense capability.

Senator Denton: Respecting their vulnerability to

they have to provide for defense should impact on the Soviet actions and should provide a greater deterrent to any aggressive action by them.

Senator Denton: How far have we gone -- and I will address this to the three of you. I have not been able to follow what is firm, what has been tried, what has not been tried but is planned with respect to agreements like that with Israel. And a parallel question: have we had any success with NATO nations in making a multilateral -- getting a multilateral policy commitment with respect to defense of the oil fields?

General Jones: There is increasing concern within the NATO meetings about the threat to Southwest Asia and the oil. There is no movement as of now for NATO as such to take any military operations outside of the NATO boundaries. We have had some bilateral discussions, for example, with the British, who have some capability in the region. So I think it is more likely that individual nations will be involved down there, as opposed to NATO as an organization.

We also have told our allies that if we become deeply involved in Southwest Asia that will impact on our capability in Western Europe and they need to take up some of that slack.

Senator Denton: Well, of course, General Kelley in his

former capacity looked at the problem from a joint U.S. perspective. I wonder what your feelings would be,1 General Kelley, considering the apparent political realities of the next few years, whether it would not be very efficacious to pursue to the degree possible if not a combined organization, at least a policy commitment that would result in a bilateral commitment in that area.

General Kelley: With Saudi Arabia, Senator?

Senator Denton: With the NATO nations or any of our allies, including Israel.

General Kelley: The more help we could get in that regard, the better off we are. I am sure you are probably aware of the fact that certainly in my opinion it is a great step forward that in that part of the world the Arabs themselves have just recently formed a Council of Cooperation. And that hopefully will bring about some regional cooperation in such things as air defense, which would give them a far more viable military capability and also will develop the cohesiveness which has not been there before.

Yes, I would support in any way any onsite support that we can get, either in terms of physically, in terms of military capabilities, or in terms of backfilling, where we could use units that would have otherwise been committed to an arrangement of one sort or another, or in any other way

enhancing our capability to project meaningful and rapid power into that area.

Senator Denton: Mr. Secretary, in view of the self-evident greater dependence of our NATO allies upon that oil and our own, are you as Secretary of Defense trying to persuade thinking in that direction? Have they come up with an ante on this?

Secretary Weinberger: I am. I am hoping that I will be more persuasive than perhaps I have been in the past. But I think that it is self-evident that they have an enormous interest akin to ours, in the case of some of the nations much greater than ours, because we rely for about ten percent of our supply from that area.

But I am hopeful that this will become evident and that it will become evident that it is an integral part of the NATO responsibility, of ours as well as our countries. They have problems, as you know, with the NATO obligations, the obligations within the NATO alliance. And there have been a number of people who have pointed in the past and said that the NATO alliance is for those countries only and they should not consider moving outside the area.

But more and more I think the realities of the situation are becoming apparent, and I would be hopeful that in the years ahead they would see the same necessity we do for making -- for increasing our capability to defend the

oil fields.

And as General Kelley pointed out, it is infinitely easier to defend an area of that kind, which is a difficult assignment at best, in front of the objective than behind it.

Senator Denton: If I could conclude in two sentences, in deference to my colleagues. I must say, gentlemen, that on the one on one contacts I have made, which have not been too numerous so far, I have found them to be justifiably concerned about previous expressions to them about what arrangements would be made in the future. They have made commitments to constituents regarding the qualifications, about why they supported such and such an agreement, and this places them in a very difficult position at this point.

And I would certainly agree with Senator Jackson that some of our great disasters of the last 20 years history have been due to failure of sufficiently early consultation with Congress, sufficiently candid consultation with Congress, which gets us into a lot of trouble.

I do hope, and I do agree with Senator Exon, I do hope we would judge this particular case at this point in time on its own merits and continue to pursue these other crusades, in which I will join with enthusiasm.

Secretary Weinberger: I fully share your feelings

about more and earlier consultation, Senator. I have no problems with that at all.

Chairman Tower: Gentlemen, let us suspend the hearing for just a moment. Let us take up some routine business that has to be disposed of.

There is currently pending before the Committee a nomination list of 3,229 permanent promotions to the grade of lieutenant commander in the Navy. The list has been pending before the Committee for the requisite period of time. No objection has been raised. I am prepared to entertain a motion --

Senator Jackson: I move the adoption.

Chairman Tower: -- they will be favorably reported.

The Senator from Washington.

Senator Jackson: I move that the routine nominations be reported favorably.

Senator Exon: I second.

Chairman Tower: Without objection, so ordered.

Senator Jackson: Mr. Chairman, I just have one question.

Chairman Tower: Gentlemen, we do have a record vote ongoing on the floor, the Dole motion to table the Melcher amendment on interest rates.

I would yield to Senator Jackson for one minute on my time and then I intend to conclude the hearing.

Senator Jackson: Mr. Secretary, as I understand it the Saudis have refused to give us facilities or bases in Saudi Arabia. Is that not a fact?

Secretary Weinberger: Sir, they have not been requested. The issue has not arisen.

Senator Jackson: But have they not made it clear that they would not do that?

Secretary Weinberger: Not to me, because the issue has never arisen.

Senator Jackson: We have no need for it?

Secretary Weinberger: We do not know whether we will or not. At the moment we do not, but we have not made any request.

Senator Jackson: What about Oman?

Secretary Weinberger: In Oman we have facilities.

Senator Jackson: Have they been very cooperative?

Secretary Weinberger: They have been very cooperative.

Senator Jackson: And Mr. Sadat has also offered -- I am not saying bases now.

Secretary Weinberger: Facilities.

Senator Jackson: Facilities, is that not correct?

Secretary Weinberger: Mr. Sadat has been very cooperative and has offered the use of Ras Banat and other areas.

Senator Jackson: No real difficulties?

Secretary Weinberger: Not that I am aware of.

Senator Jackson: I just read a long report yesterday that is totally opposite that, a classified report.

Secretary Weinberger: I would be interested in seeing it. I do not have any information of that kind. In fact, I have some information that indicates that there are no major permanent problems between the two.

General Jones: Senator, I might mention one point there. There are more uniformed military in Saudi Arabia than any other country in the region. That is the only place where we have an operational capability with AWACS.

Senator Jackson: Well, I know. But I hope that after almost a year now we are getting together some kind of a Mideast strategy.

Secretary Weinberger: We are doing our best, Senator. And from the General's remark, we already have a major presence in Saudi Arabia.

Chairman Tower: I might submit that the sale of the AWACS is a part of the Mideast strategy. It is an extension of our strategy in the Middle East.

Gentlemen, today's hearing has been, I think, very helpful and a usful illumination of vital issues. I would like to thank the witnesses for their testimony.

The presentations that were made today, in combination

with the testimony received by the Committee in executive session on Friday, have led me to the following conclusions: Saudi Arabia has a legitimate requirement for this air defense package. This is not merely a symbol of U.S. reliability, as some opponents of the sale, of the proposal, claim.

Acquisition of this air defense package, including AWACS aircraft, by Saudi Arabia will have a negligible impact on the Arab-Israeli military balance, which heavily favors Israel. For the foreseeable future Israel will be capable of defeating any combination of Arab military forces at any level of conflict. In sum, the Israeli objections to the sale must be governed by political and not military considerations.

If the sale is approved, the risk of compromise of advanced U.S. military technology is extremely low. The technology of AWACS systems is not sensitive and is not easily exportable. Moreover, the anti-communist, anti-Soviet stance of the Saudi people makes it highly unlikely that events would occur in Saudi Arabia that would provide Soviet access to these systems.

The sale of this air defense package, especially the AWACS aircraft, to Saudi Arabia, will substantially enhance the ability of the U.S. military forces to protect American interests in the Gulf region. The United States will

benefit from early warning of threats to the vulnerable oil fields, as well as greater coordination of air defense assets in the Persian Gulf region, and additional defense cooperation with Saudi Arabia will result.

This sale is a logical extension of U.S. policy, that holds the Soviets are the principal threat to the security of the region. We are obliged to do all that we can to enhance the capability of indigenous forces to meet that threat.

The facts have been placed before the Committee on the military and technical issues, and in my view fully and clearly support the President's sale, and in my view they cleawrly and fully support the President's proposed sale.

May I ask one final question. What would be the consequences of our being isolated in the Middle East to the extent that Israel remained our only strategic partner? General Kelley?

Secretary Weinberger: I think, Senator, it would result in trouble in bringing peace back to the entire region. And I think from a military point of view it would be very unfortunate for the national security of this country. And I think it would be unwise and an unhappy position for Israel to be in, too.

I think that the greatest hope for the security and safety of that whole region is a strong and friendly

relationship of the United States with all of the countries of that region that are willing to join in. And certainly with the modern Arab states and Israel, it is, I think, essential that we maintain very cordial and very warm and supportive relationships.

Chairman Tower: Thank you, Mr. Secretary. And I assume that the Generals at your table concur?

General Jones: Yes, sir.

General Kelley: Yes, sir.

Secretary Weinberger: I would like to express our appreciation for your courtesy and patience at this hearing. We have always been so very nicely treated here, and we find this morning not only no exception, but again a great pleasure to have the opportunity to be before you.

Chairman Tower: I must say, Mr. Secretary, you are very good at these endurance contests.

We are adjourned.

[Whereupon, at 2:36 p.m., the Committee was adjourned, to reconvene at the call of the Chair.]

QUESTIONS TO BE INSERTED IN THE RECORD ON BEHALF OF SENATOR SAM NUNN

Question: The Administration focuses a great deal on U.S.-Saudi relations in discussions of the sale. What advantages are there for the U.S., outside the military arena, in this sale. For instance, what about access to Saudi oil and prices over the mid to long term?

Answer:

Question: The Administration discusses the sale as "a positive foundation for more extensive U.S.-Saudi cooperation over time." What does this mean and could it include further military sales?

Answer:

Question: The Administration stresses the U.S. influence in use of equipment purchased from U.S. Would the United Kingdom sell the NIMROD, and France the Mirage 2000 and R.550 missile as replacements "without strings"?

Answer:

Question: What type of assistance is Saudi Arabia providing directly and in coordination with the U.S. to

provide stability in the Persian Gulf area and Southwest Asia? For instance, did the Saudis help in the Syrian missile crisis,? What about Pakistan-Afghanistan? What about the Horn of Africa? How much financial assistance is Saudi Arabia providing to Turkey?

Answer:

Question: What additional roles could/should the Saudis play and what have we asked/expected them to do?

Answer:

Question: How have the Saudis sought to limit Soviet and Communist influence in the Arab world?

Answer:

Question: Should Saudi Arabia take a more active role in the peace process and how can this be accomplished since they have rejected the Camp David process?

Answer:

Question: What is the Saudi relationship to the PLO

and what type of assistance has been provided?

Answer:

Question: What do you see as the role of the Gulf Cooperation Council, which has as one of its major objectives the enhancement of Gulf defense?

Answer:

Question: What do you consider the most demanding military contingency the U.S. might have to deal with in the Persian Gulf area? What do you consider a medium and low capability contingency?

Answer:

Question: What do you consider our major military deficiencies in dealing with Persian Gulf scenarios? How important is our own strategic mobility, as well as prepositioning and support infrastructure in the region? Considering our deficiencies, how would the Saudi sale assist our military in these possible three levels of conflict?

Answer:

Question: If the need for "quick response" with supportable forces is important, why did DOD, as part of the budget reductions, recommend deleting $392 million for three maritime prepositioning ships you added in March that would be used in Persian Gulf scenarios?

Answer:

Question: As the former RDF commander, walk us through a general scenario requiring U.S. forces and the assets of the Saudi sale, as well as other facilities in the region.

Answer:

Question: From strictly a military standpoint, could the Persian Gulf and the oilfields be defended from other countries in the region, say from either Egypt or Israel?

Answer:

Question: On a specific relating to the sale, the official briefing book "AWACS Background Material" states that "three years of spares for F-15's and AWACS, which

would be compatible with U.S. equipment, would be stockpiled in Saudi Arabia." Would this material be available to U.S. forces in a contingency? Will we have access to the F-15 Avionics Intermediate Shops in Saudi Arabia?

How will we provide three years of spares for the F-15 when our own Air Force does not have this level?

Answer:

Question: The Administration states that this sale would not enable Saudi Arabia and other Arab states to coordinate an attack against Israel, citing the technical and operational problems. Yet, the Administration also states the sale would contribute to a Gulf Air Defense system in which air defense networks could be linked, data transmitted, and air defense interceptors controlled. Are there any inconsistencies in these two statements?

Answer:

Question: What shifts have occurred in the regional security situation and military balance since 1978?

Answer:

Question: There is a significant amount of discussion on the impact of the failure of the sale on Saudi Arabia and much discussion about Saudi prestige and sovereignty. In your view, how could/would the Saudis deal with the joint command proposal as Senator Glenn has suggested, in terms of both their internal situation as well as role in the Arab states?

Answer:

Question: Would the U.S. still be able to exercise the same degree of influence in the moderate Arab world, support our regional strategy and enhance regional security under such a joint command relationship?

Answer:

Question: What are the "terms of sale" in the following areas: Are there any restrictions on what airspace the planes can operate in? How do we intend to enforce these provisions?

Answer:

Question: Will the U.S. have access to the aircraft

and/or information if needed? How is this insured?

Answer:

Question: How is the arrangement with Saudi Arabia different from that we have with NATO?

Answer:

Question: How would the Saudis support the U.S. with the AWACS and F-15 infrastructure if we had to deploy forces to the Gulf, including our own AWACS and F-15's? What are the restrictions here, if any, and where is the agreement on making the support equipment available in a contingency?

Answer:

Question: There has been much discussion about the question of the various technology involved in the sale and what would happen if it fell into unfriendly hands. If the Soviets did get the AWACS or AIM-9L, what would be of use to them and how significant is it?

Answer:

Question: The official briefing book "AWACS Background Material" provided to me by DOD states on page 3 that the Saudis "have agreed to security arrangements that go far beyond normal procedures and satisfy stringent U.S. standards." What are they? How are they above normal and how do they compare to say our security procedures for nuclear weapons technology or some other sophisticated systems?

Answer:

Question: What is the capability of the Soviet Union to break our codes that are used by our State and Defense Soviet Unions? Why are we so certain that it would "take several years" to decipher the magnetic tape program? Why could they not just run "trial and error" procedures using the radar to determine how the system works without having to "break" the software?

Answer:

Question: What is the current status of the Soviet AWACS and, when deployed, how will it compare to the Saudi AWACS? How does its radar and computer capability compare?

Answer:

Question: Do the Soviets have the capability to jam/disrupt the operations of the AWACS the Saudis may receive?

Answer:

Question: Are the security procedures for the AIM-9L the same or more stringent than those released to NATO, Japan, and the other countries?

Which versions of the AIM-9 do the Soviets have? Did not the first AIM-9 make its way to the Soviet Union via NATO in a Volkswagen going across the border with the missile sticking out the window?

Do the Soviets have front-seeking missiles and would AIM-9L technology assist?